



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
CHARLES J. KROGMEIER, DIRECTOR

INFORMATIONAL LETTER NO. 953

DATE: October 8, 2010

TO: Iowa Medicaid Home and Community Based Services Case Managers/Service Workers

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Consumer Directed Attendant Care (CDAC) Rate Restoration 7/1/10

Informational Letter 934 notified Individual Consumer Directed Attendant Care (CDAC) providers that the 2.5% rate decrease originally enacted beginning in December 2009 will be restored retroactive to July 1, 2010. This is due to a recent mediation and settlement between the State of Iowa and AFSCME, the union representing all Individual CDAC providers.

A retroactive payment will be made on all claims paid for services provided between July 1, 2010 and September 30, 2010. Since the effective date of the restoration is July 1, 2010, a one-time, lump sum payment will be sent to affected providers in November 2010 reflecting the 2.5% restoration amount (not to exceed the \$13.47 service rate cap) remaining to be settled for any July, August and September 2010 claims that were already submitted and paid through the IME by October 31, 2010. Affected providers will be automatically identified by the IME; no further action by the provider or Case Manager/ Service Worker is necessary for the additional payment in November.

For service dates beginning October 1, 2010, (and moving forward) the rates in ISIS will be automatically adjusted, increasing all rates by 2.5%, not to exceed the \$13.47 service rate cap. The service plan workflow will begin and the Case Manager/Service Worker should follow the steps listed below:

1. Contact the Medicaid member to determine if they agree with the rate increase for each CDAC service provider authorized. Document the discussion with the Medicaid member.
2. If the Medicaid member agrees with the rate increase, the case manager must authorize the increase in ISIS not to exceed the service rate cap of \$13.47. If the rate increase puts the total monthly amount over the monthly cap for waiver services, the Case Manager/Service Worker must adjust the plan to accommodate the increase. The Case Manager/Service Worker must send a Notice of Decision to the Medicaid member and CDAC provider
3. If the Medicaid member does not agree with the increase, the Case Manager/ Service Worker must change the rate to the rate agreed upon by the consumer and provider and the Case Manager/ Service Worker must reauthorize the service plan. The Case Manager/Service Worker must send a Notice of Decision to the Medicaid member and CDAC provider reflecting the agreed upon rate.

4. The CDAC Agreement must be updated to reflect the proper payment amount by attaching a copy of Informational Letter 934 and the Notice of decision to the members CDAC Agreement.
5. A copy of Informational Letter 934 must be kept in the Medicaid member's file **or** the case manager must change the CDAC Agreement reflecting the changes in rates beginning July 1, 2010.

Please complete these activities by October 31, 2010 in order to accommodate billing for services in November. If you have any questions, please contact the appropriate HCBS Program Manager. Thank you for your assistance in this matter.